

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
(317) 232-9855

**FISCAL IMPACT STATEMENT**

**LS 6159**

**BILL NUMBER:** SB 21

**DATE PREPARED:** Nov 7, 1998

**BILL AMENDED:**

**SUBJECT:** ISTEP Test Subjects and Duration.

**FISCAL ANALYST:** David Hoppmann

**PHONE NUMBER:** 232-9559

**FUNDS AFFECTED:** X GENERAL  
X DEDICATED  
FEDERAL

**IMPACT:** State

**Summary of Legislation:** This bill would remove the authority for the Indiana Statewide Testing for Educational Progress (ISTEP+) program to be administered in subject areas other than English/Language Arts and Mathematics. It would require that ISTEP+ subject area tests (subject area tests) last no longer than two hours each.

**Effective Date:** July 1, 1999.

**Explanation of State Expenditures:** The estimated cost to develop a subject area test is approximately \$7M of which a certain percentage is allocated for implementation (including but not limited to proctoring and scoring). Currently, the Department of Education (DOE) contracts out the development of two subject area tests at a total cost of approximately \$14M (English/Language Arts and Mathematics). Under current law, DOE has the authority to administer additional subject area tests in Social Studies and Science.

Since DOE does not currently administer subject area tests in Social Studies and Science, the effects of this portion of the bill would result in no cost savings to the State.

This bill would also require that subject area tests last no longer than two hours each. According to the Department of Education, this provision would effectively change the way ISTEP+ is administered (i.e., multiple choice as opposed to short essay). Eliminating the written portion of ISTEP+ would result in a cost savings regarding the proctoring and scoring of subject area tests.

A breakdown of the approximately \$14M in development costs is currently indeterminable, as well as are the figures illustrating the cost savings of converting to multiple choice subject area tests. This fiscal analysis will be updated as information becomes available.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Department of Education.

**Local Agencies Affected:** School Corporations.

**Information Sources:** Steve Grimes, Department of Education, (317) 232-9050.